

FISCAL NOTE

HB 609 - SB 1383

March 26, 2007

SUMMARY OF BILL: Expands the definition of “municipality” to include metropolitan forms of government as it applies to the Convention Center and Tourism Development Financing Act of 1998. Expands the definition of “qualified public-use facility (QPUF)” to include any privately owned or operated amusement or theme park, when a \$100.0 million investment has been made, and when such park(s) are located within a tourism development zone (TDZ) within a county (Davidson County) having a metropolitan form of government and more than 500,000 people. Exempts any such QPUF from the one-mile radius rule that identifies a TDZ. Authorizes any local government having jurisdiction over any part of a QPUF to use tax increment financing for such project costs.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – The fiscal impact for this bill is dependent upon multiple unknown factors. As a result, a statistically-significant fiscal estimate cannot be determined. Also, if any such qualified public-use facility is constructed regardless of the outcome of this legislation, then state tax revenues would decrease by an amount dependent upon the extent of taxable sales that will occur at such facility. If the construction for any such qualified public-use facility is contingent upon the passage of this legislation, then the state would forego state tax revenues equal to an amount dependent upon the extent of taxable sales that will occur at such facility. Any decreased or forgone state revenues would result in a corresponding increase to local government revenues, which would be earmarked exclusively for retiring debt incurred for the construction of the qualified public-use facility. While a statistically-significant fiscal estimate cannot be determined, it is reasonable to suggest that the decrease or foregone state revenues, and the corresponding increase to local government revenues, will exceed \$2,000,000 per year.

Assumptions:

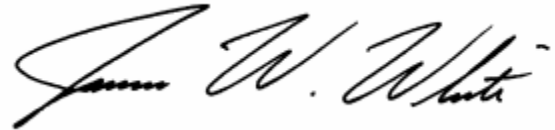
- The fiscal impact of this bill is dependent upon multiple unknown factors such as (1) the number of future projects undertaken that will meet the criteria specified in this bill, (2) the scope of the

projects to be undertaken, (3) the extent of future taxable sales that will occur on the premises once such projects are complete, and (4) whether or not the construction of any such project is contingent upon the passage of this legislation.

- A precise fiscal impact for this bill cannot be determined due to multiple unknown factors.
- According to the Department of Revenue, local governments could benefit at the expense of the state by approximately \$2,000,000 per year.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director